

Financial crisis divides EU on greenhouse gas cuts

By GEORGE JAHN, Associated Press Writer

Modesto Bee, S.F. Chronicle, New York Times and other papers, Thursday, October 23, 2008

VIENNA, Austria — What price clean air, sparkling streams, stately chestnut trees along busy avenues? In some ways it depends on whether you are a citizen of Old or New Europe.

A debate on whether to stick to an ambitious European Union timetable meant to slash greenhouse gas emissions at a time of economic turmoil is dividing the continent.

Most governments within the 27-nation bloc insist on going ahead with a December timetable for legislation requiring a 20 percent cut in EU emissions by 2020. They say that will send a strong signal to the U.S., China and other big industrial states to embrace a new global deal on reducing emissions after the Kyoto Protocol expires in 2012.

"The European Union must keep its leadership role" on the environment, French Environment Minister Jean-Louis Borloo told his EU counterparts this week.

But eight former Soviet bloc countries argue the EU's envisioned pace could hurt them more than the prosperous members of "Old Europe" - the 15 west European nations that have not had to play catch-up to compensate for decades of ruinous communist economic policies.

Voicing the easterners' concerns last week, Polish Prime Minister Donald Tusk told an EU summit that the bloc's environmental and energy initiatives must also "be tolerable for the poorer member states."

Poland, Bulgaria, Estonia, Hungary, Latvia, Lithuania, Romania and Slovakia all called for special consideration on the emissions cut timetable. Italy also complained about the plan.

The European Parliament endorsed the emission plan with a 499-130 vote Wednesday, but the opposition in the east raises doubts since major EU decisions require agreement by all the member governments.

The disagreement predates the global financial turmoil that threatens to cause a prolonged economic downturn. But as Hungary's currency crumbles, stocks hover at alarming lows in Poland and real estate prices plummet in Slovenia, the depth of malaise in the east has given greater urgency to New Europe's calls for scaling back planned emission curbs.

Their push worries environmental activists. They question whether eastern Europe's post-communist commitment to the environment is shallow, with leaders happy for the opportunity to rechannel resources into bolstering pensions, boosting employment and lowering inflation.

"They're using the financial crisis as an excuse," said Tomas Wyns at Climate Action Network Europe, a Brussels, Belgium-based umbrella organization of more than 100 environmentalist groups.

Eastern Europe has erased most - but not all - of communism's environmental sins since the Iron Curtain came down nearly two decades ago.

The worst cases are sites like Copsa Mica, the Romanian town where communist-era rubber-dye factories and a lead smelter spewed out pollutants that colored snowflakes black, left high levels of carcinogens in the air and reduced life expectancy in the surrounding region to 41.

The smelter is still operating. And the New York-based Blacksmith Institute environmental watchdog says newborns in the area have twice the safe levels of lead in their bodies; 96 percent of children ages 2-14 have chronic bronchitis and other respiratory problems; and life expectancy is still nine years below the national average of 63.

While environmental consciousness is growing among the well-heeled in the more prosperous parts of eastern Europe, the poorest had more immediate concerns even before the financial maelstrom hit.

In Serbia's capital, Belgrade, where the average monthly wage is little more than \$500, the needy have little time to discuss the perils of climate change.

"Global warming? Who cares if we all starve to death," said retiree Mirjana Budimirovic.

Serbia has one of the largest carbon footprints of any country in Europe. Its creaky, inefficient power sector uses twice as much energy per person than western Europe's average.

Still, charges of environmental foot-dragging rankle government officials who point to progress made cleaning up the environmental catastrophes of the communist era.

"Thanks to structural reforms from 1995 to 2005, greenhouse gas effects were reduced by 40 percent in Romania," said that nation's environment minister, Attila Korodi.

Eastern officials argue their countries merit special consideration because communist policies left their economies more vulnerable to the cost of making deep, rapid cuts in greenhouse emissions.

Poland, for instance, still depends on plentiful coal reserves to meet most of its heating needs, while coal use has lessened in recent decades in western Europe because of pollution concerns that were not an issue during the communist era in the east.

Now, the EU's emission plans has Poland facing the expense of equipping its coal industry with costly filtering equipment - or the deeply unpopular option of turning to historic nemesis Russia to buy cleaner burning oil and natural gas.

The Polish Environment Ministry's spokeswoman, Elzbieta Strucka, said Warsaw's opposition to the EU climate package has nothing to do with the financial crisis but stems from existing economic considerations for a poor country.

The plan will result "in a shocking rise in energy prices," she said. "Poland and other nations that use coal energy cannot agree to this."

She said Poland agrees to the principle of cutting emissions but wants to implement it more gradually than EU administrators envision.

Tusk, the Polish prime minister, said that if the EU truly wants to set an example to the rest of the world, it must first persuade its poorer members to sign on to a deal acceptable to all.

"If we are not able to accept it, what will a hundred countries much poorer than Poland say?"

In a 2006 report that mirrored the situation in many East European countries, the Czech government documented that worsening air quality affects 60 percent of its population - the price of developing rapidly after decades of economic stagnation under communism.

Cleaning up the Bay Area, one meeting at a time

By Karen Holzmeister - The Daily Review

Tri-Valley Herald and Contra Costa Times, Thursday, October 23, 2008

SAN LEANDRO — Interested in a close-to-home update of the Bay Area's progress in reducing air pollution?

If so, steer clear of the next Monday Night Football matchup, and instead head for the San Leandro Library, 300 Estudillo Ave.

That's where the Bay Area Air Quality Management District will discuss its 2009 clean air plan, including ways to reduce pollutants, toxic air contaminants and greenhouse gases.

District planners also will discuss a program evaluating potential cancer risks, sources of exposure and ways to reduce their impact.

The 5:30 to 7:30 p.m. meeting Monday is one of six sessions being held this month around the Bay Area.

The remaining meetings include 6 to 8 p.m. today at the Pleasanton Senior Center, 5353 Sunol Blvd., and Oct. 30 in San Francisco.

The plan, scheduled for adoption next year by district directors, will identify how to reduce ground-level ozone through 2012. Ground-level ozone is a major component of smog, and a product of reactions among chemicals such as gasoline and other fuels.

The plan will identify tighter emission controls for places such as factories, refineries and dry cleaners, and ways to reduce pollution from cars, trucks and other vehicles. They include using cleaner fuels and automobiles, and substituting public transit for cars.

Wal-Mart to Toughen Standards

By Stephanie Rosenbloom

N.Y. Times, Thursday, Oct. 23, 2008

Wal-Mart plans to announce Wednesday in Beijing that it will require manufacturers supplying goods for its stores to adhere to stricter ethical and environmental standards, the latest effort by the big retailer to answer criticism of its business practices.

At a gathering of more than 1,000 suppliers, Chinese officials and advocacy groups, Wal-Mart executives plan to reveal a new supplier agreement that will require manufacturers to allow outside audits and to adhere to specific social and environmental criteria. The agreement will be phased in beginning in January.

The changes signal a move on the part of Wal-Mart, the world's largest retailer, away from intermittent transactions with many suppliers toward longer-term arrangements with a smaller group of manufacturers. Wal-Mart is betting that using its buying power this way can help keep prices low even as it keeps a closer eye on its suppliers.

Wal-Mart, long criticized for its treatment of workers in the United States and its ostensible willingness to overlook violations abroad, has in recent years offered a series of environmental and labor initiatives. A Beijing meeting now under way is the company's first "sustainability summit."

By next year, Wal-Mart will start keeping close track of the factories from which its products originate, even if they pass through many hands. By 2012, Wal-Mart will require suppliers to source 95 percent of their production from factories that receive the highest ratings in audits of environmental and social practices.

The agreement includes a ban on child and forced labor and pay below the local minimum wage.

"Meeting social and environmental standards is not optional," Lee Scott, Wal-Mart's chief executive, plans to say at the Beijing summit, according to his prepared remarks. "I firmly believe that a company that cheats on overtime and on the age of its labor, that dumps its scraps and its chemicals in our rivers, that does not pay its taxes or honor its contracts, will ultimately cheat on the quality of its products. And cheating on the quality of products is the same as cheating on customers."

To ensure suppliers are making changes, Wal-Mart said it would require three levels of audits: from the vendors themselves, from an outside party and from Wal-Mart, which will initiate more of its own random, unannounced audits.

Wal-Mart said the audits would assess factory working conditions as well as compliance by manufacturers with standards regarding [air pollution](#), wastewater discharge, management of toxic substances and disposal of hazardous waste.

Environmental and labor groups that follow Wal-Mart said the retailer had a mixed history when it came to the environment and labor practices — and that sometimes the company's goals were lofty, while the measurable outcomes were less so. Through the years, Wal-Mart has been accused of various abuses.

In the 1990s it came to light that workers at factories producing [Kathie Lee Gifford](#) clothing for Wal-Mart were subjected to inhumane conditions. Last year two nongovernmental organizations said abuse and labor violations (including [child labor](#)) occurred at 15 factories that produce or supply goods for Wal-Mart and other retailers. In June the United States government and the state of Oklahoma filed a complaint in federal court claiming that Wal-Mart and other companies dumped hazardous waste in Oklahoma City. In Bangladesh, it was charged that factory workers were made to work 19-hour shifts, with some bringing home just \$20 a month.

Michael Green, executive director of the Center for Environmental Health, a watchdog group in Oakland, Calif., said he believed Wal-Mart's effort to improve suppliers' practices began as a program to counter public-relations damage. "I think what happened along the way is some people there actually got convinced," he said. "It became more than a sophisticated P.R. stunt, but something they believed in."

However, without knowing the specifics of Wal-Mart's new plan, Mr. Green said it would not be easy sledding. Suppliers under pressure to offer the company the lowest prices are likely to have an incentive to cheat, he noted, and outside auditors may not want to report violations for fear of losing a lucrative Wal-Mart contract. Additionally, tracing the origins of all the working parts that go into a single toy, for instance, is difficult because it involves multiple factories.

Still, groups that have criticized Wal-Mart are attending the Beijing summit to hear the company's plans.

In a telephone interview from Beijing Tuesday night, Mr. Scott said Wal-Mart may offer longer-term agreements to suppliers willing to make the big investments needed to live up to its environmental demands.

The company said that within China, a nation with major environmental problems, Wal-Mart would aim by 2010 to cut water use in half in all stores, design and open a prototype store that used 40 percent less energy, and reduce energy use in existing stores by 30 percent. "People will judge us," Mr. Scott said, "based on the results."